

GENERAL CONDITIONS

CONDITION OF PROPERTY Except as otherwise provided in this Agreement, in the deed of conveyance or in other documents to be delivered at Closing, the Property is being sold and conveyed on an "AS IS, WHERE IS" basis. The State hereby disclaims any warranty, guaranty or representation, expressed or implied, oral or written, past, present or future, as to or concerning: (a) any condition arising in connection with any generation, use, transportation, storage, release, existence of, or disposal of hazardous substances, on and under, above, upon or in the vicinity of the Property, or any other aspect of the nature or condition of the Property such as water, soil and geology, (b) the suitability or fitness of the Property for any and all activities and uses which the Purchaser may elect to conduct thereon; (c) the compliance of the Property or its operation with any applicable laws, ordinances or regulations of any government or other body, including without limitation, compliance with any land use, wetland or zoning law or regulation, or applicable environmental laws, rules, ordinances and regulations; (d) the physical condition or state of repair of the Property, including without limitation, the structural, mechanical and engineering characteristics of the improvements to the Property; and (e) the existence or non-existence of or extent of any right-of-way, restriction, covenant, or other encumbrance affecting the Property. No claim for any allowance or deduction in the bid price due to a bidder's lack of knowledge with respect to the Property will be considered after the bid opening. The Purchaser acknowledges that it shall accept the Property in "AS IS" physical condition on the date of Closing. The description(s) of the Property set forth in this Invitation and any other information provided herein with respect to the Property are based on information available to the State are believed to be correct, but any error or omission, including but not limited to the omission of any information available to the State, will not constitute grounds or reasons for nonperformance of this Agreement by the Purchaser, or claim by Purchaser for allowance, refund or deduction from the Purchase Price (hereinafter defined), and any failure of the Purchaser to perform due to errors or omissions by the State in the description of the Property shall constitute a breach of agreement and be subject to the remedies set forth in the Breach of Agreement and Default provision of this Agreement.

INSPECTIONS AND TESTING The State will not conduct and/or pay for any expense of the following inspections, tests or services: (1) land surveying, (2) testing or pumping septic/leachfield systems, (3) testing, pumping, or removal of underground fuel storage tanks (if any), (4) termite inspection, (5) testing for asbestos, (6) domestic water quality test, (7) appraisals, and (8) environmental testing. If any bidder or the Purchaser desires these services or inspections, they are to be performed at the bidder's or the Purchaser's expense and shall be of a visual, non-invasive nature, unless otherwise agreed upon by the State in writing.

ZONING Verification of the present zoning and determination of permitted uses thereunder, along with compliance of the Property for present or proposed future use, will be the responsibility of the Purchaser and the State makes no representation in regard thereto.

REAL ESTATE FEES The State represents and warrants that it has not used the services of any real estate broker, agent, or finder in connection with this Agreement or the sale of the Property. The State will not pay any brokerage commissions or fees. Any brokerage, finder fees or commissions in connection with the sale of the property shall be at the sole cost and expense of the bidder and/or Purchaser.

PURCHASE PRICE AND TENDER OF PAYMENT The purchase price shall be the Accepted Bid price made by Purchaser ("Purchase Price"). The Deposit (hereinafter defined) shall be credited toward the Purchase Price at Closing. Payment of the balance of the Purchase Price shall be paid by the purchaser to the State by certified or cashier's check at Closing.

CLOSING The consummation of the transactions contemplated in this Agreement (the "Closing"), shall take place at a date, time and place as agreed upon by the parties but shall occur no later than 180 days from the date of acceptance of purchasers bid. The State of Maryland reserves the right to extend the closing date for a reasonable amount of time for purposes of obtaining approvals or preparing conveyance documents.

DELAYED CLOSING The Purchaser will pay interest on the outstanding balance of the Purchase Price if the Closing is delayed, and the delay is caused, directly or indirectly, by the Purchaser's action and not by any action on the part of the State. The interest rate will be computed based on the "Prime Rate" as quoted in the Money Rates Section of *The Wall Street Journal* on the Date of Bid Acceptance. The State reserves the right to refuse a request for extension of the Closing date.

CLOSING COSTS The Purchaser shall be solely responsible for the costs and expense in connection with acquisition and Closing, including but not limited to the following: (1) title search and Closing fees, (2) notary fees, (3) title insurance binders and premiums, (4) lender fees related to financing obtained by the Purchaser, (5) state or county transfer and recordation taxes and other costs imposed upon the recordation of the deed to the Property, (6) real estate taxes due upon the recordation of the deed to the Property, (7) any attorney fees, brokerage fees, commissions, or finder fees incurred by the Purchaser, and (8) agricultural transfer taxes.

ADJUSTMENTS AS OF CLOSING All real estate taxes and personal property taxes for the then current year levied or assessed with respect to the Property shall be prorated on a daily basis and adjusted between the parties as of the Closing or the date of possession by the Purchaser, whichever first occurs. Purchaser shall pay any and all such taxes which are due for the current tax year at or prior to Closing.

The State shall have the meters for gas, water, electric and any other measured utilities read not more than five (5) working days before Closing. State shall close any and all existing utility accounts serving the Property by or before Closing. Sewer and other utilities shall be prorated on a daily basis and adjusted as of Closing. There shall be no adjustment for fuel left on-site.

Each metropolitan district, front-foot benefits, water or other charges levied or assessed against any and all of the Property by any public or quasi-public authority shall be apportioned on a per diem basis between the Purchaser and the State and as of Closing, or, if applicable law shall otherwise provide, paid in accordance with that applicable law.

The provisions concerning taxes, assessments and utility charges set forth above shall not merge with or into and shall survive delivery of the deed at Closing.

BREACH OF AGREEMENT AND DEFAULT If the Purchaser defaults in any of the terms, provisions, covenants or agreements to be performed by the Purchaser under this Agreement, the State may, at its sole option: 1) retain the bid deposit as liquidated damages; 2) return the bid deposit to the purchaser; or 3) sue the purchaser for specific performance or monetary damages. The rights and remedies set forth in this paragraph are cumulative and shall be in addition to any other remedies equitable or legal the State may be permitted by law or in equity or established in this Agreement.

If this Agreement is accepted by the State and: (1) the State fails for any reason to perform its obligation as set forth herein; or (2) title does not transfer or vest in the Purchaser for any reason although the Purchaser is ready, willing, and able to close, the State will promptly refund to the Purchaser all amounts of money Purchaser has paid, without interest, whereupon the State will have no further liability to the Purchaser.

REVOCATION OF BID In the event of revocation of a bid after the opening of bids but prior to Date of Bid Acceptance, the deposit, together with any payments subsequently made on account, may be forfeited at the option of the State, and the State may avail itself of any other rights it may have by law or in equity.

ASSIGNMENT This Agreement, or any obligation, right, title, interest, estate or remedy thereunder may not be assigned by the Purchaser, without the prior written consent of the State, and in each instance and any attempt so to do shall be a breach of this Agreement and void.

DATE OF THIS AGREEMENT The date of this Agreement shall be the date upon which it is approved and executed by the State of Maryland Board of Public Works (hereinafter "BPW").

SEVERABILITY No determination by any court, governmental or administrative entity or otherwise that any provision of this Agreement or any amendment hereof is invalid or unenforceable in any instance shall affect the validity or enforceability of (a) any other such provision, or (b) such provision in any circumstance not controlled by such determination. Each such provision shall be valid and enforceable to the fullest extent allowed by, and shall be construed wherever possible as being consistent with, applicable law.

ENTIRE AGREEMENT This Agreement shall be binding upon the parties hereto and their respective personal representatives, successors and assigns. This Agreement contains the entire understanding between the parties hereto and there are no agreements, understandings, representations or warranties between the parties except as set forth in this Agreement. This Agreement can only be amended in writing and executed by both parties hereto.

SURVIVAL AND BENEFIT This Agreement will bind upon and inure to the benefit of the parties hereto and their respective personal representatives/successors and assigns, as permitted hereunder.

POSSESSION Possession of the Property will be given to Purchaser at the time of Closing. The Purchaser agrees to assume possession with all attendant rights and responsibilities. The conveyance document will be made effective the date possession is granted. If the Purchaser fails to take actual possession, the Purchaser will be charged with having taken constructive possession. The word possession will mean either actual physical possession or constructive possession.

RISK OF LOSS Risk of loss will be borne by State until legal title has passed or possession given, whichever shall first occur. If prior to the time that legal title has passed or possession given to the Purchaser, whichever shall first occur, all or a substantial part of the property is destroyed or damaged, the State shall have no obligation or responsibility to repair or restore the Property, but may, at its sole option elect to repair or restore the Property. In the event the State chooses not to repair or restore the Property to a condition equal to or better than the condition of the Property at the Date of Bid Acceptance, then the Purchaser may at its sole option terminate this agreement, in which event the State shall return to the Purchaser all deposit monies and there shall be no further liability or obligation on either of the parties hereto.

OUTSTANDING DEBTS TO THE STATE If the Purchaser shall be delinquent with any debts owed to the State, such debts shall be paid in full prior to Closing.